

A U S T I N C I T Y C O U N C I L

AGENDA



Thursday, July 27, 2006

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**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

ITEM No. 50

Subject: Authorize ratification of a contract with TEREX UTILITIES, San Antonio, TX, for the purchase of a trailer mounted underground cable puller in an amount not to exceed \$108,945.

Amount and Source of Funding: Funding in available in the Fiscal Year 2005-2006 Amended Capital Budget of Austin Energy.

Fiscal Note: A fiscal note is attached.

**Additional Backup
Material**

(click to open)

- [TEREX BID TAB](#)
- [Terex Fiscal Note](#)
- [CBN TEREX](#)

For More Information: Dolores Castillo, 512/322-6466

Purchasing Language: Lowest bid of two bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were identified; therefore, no goals were established for this solicitation.

Austin Energy (AE) identified a Critical Business Need for the purchase of an 8,500 pound capacity underground cable puller for use on the Samsung Fab-2 Expansion project. AE committed to providing complete power infrastructure to part two of the Samsung facility expansion within the next 11 months. AE will need to pull approximately 120,000 feet of underground conductor during the job process with individual pulls of up to 1200 feet. The conductor weighs approximately 10 pounds per foot, and when combined with the friction generated while pulling through conduit, requires significant pulling power to install. AE does currently possess underground pulling equipment, but lacks the equipment required to efficiently perform work on the scale mentioned above. AE needed to purchase this equipment in as short a time as possible in order to meet agreed upon timeline. The lead-time is approximately 22 weeks after receipt of order.

MBE/WBE Solicited: 0/0 MBE/WBE Bid: 0/0

PRICE ANALYSIS a. Adequate competition. b. Two bids were issued, two bids were received. There are no known MBEs/WBEs for this commodity. c. This is the first time purchase of this size equipment; therefore, there is no price history available.

APPROVAL JUSTIFICATION a. Lowest bidder. b. The Purchasing Office concurs with Austin Energy's recommended award. c. Critical Business Need.

BID TABULATION

IFB No. DC06100023

Trailer-Mounted Underground Cable Puller

<u>Vendor</u>	<u>Total Price</u>
Terex Utilities San Antonio, TX	\$108,945
TSE International Shreveport, LA	\$111,175

**CIP BUDGET
Fiscal Note**

DATE OF COUNCIL CONSIDERATION: 7/27/2006
WHERE ON AGENDA: Resolution
DEPARTMENT: Austin Energy

SUBJECT: Authorize ratification of a contract with TEREX UTILITIES, San Antonio, TX, for the purchase of a trailer mounted underground cable puller in an amount not to exceed \$108,945.

FINANCIAL INFORMATION:

Parent Project Name: **Distribution**
Project Authorization: 2005-2006 Amended Capital Budget

Current Appropriation	\$ 276,297,444.00	
Unencumbered Balance		\$ 11,285,844.00
Amount of This Action		<u>(108,945.00)</u>
Remaining Balance		<u><u>\$ 11,176,899.00</u></u>

Use of Remaining Balance:

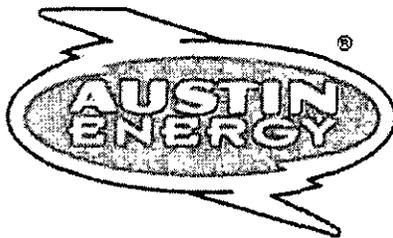
Remaining funds will be used for design, construction, equipment, and material acquisition to complete the project.

Use of Any Remaining Funds After Completion of Project:

No remaining funds anticipated at this time.

Director, Planning and Budget Signature: J. E. Pokorny

Date: 7/7/2006



MEMORANDUM

TO: Mayor and Council Members
Toby Hammett Futrell, City Manager

FROM: Juan Garza, General Manager, Austin Energy

DATE: May 5, 2006

SUBJECT: Critical Business Need: Underground Cable Puller for Samsung Fab-2 Expansion

ACTION:

As detailed below, and in accordance with City Council-approved purchasing procedures, I am designating as a Critical Business Need of Austin Energy (AE), the purchase of an 8,500# Capacity Underground Cable Puller for use on the Samsung Fab-2 Expansion project. We plan to bring an RCA to Council regarding this issue next month.

BACKGROUND:

Austin Energy has committed to providing complete power infrastructure to part two (2) of the Samsung facility expansion within the next eleven (11) months. The agreement was actually signed in April, and the completion date was set at that time. The utility will need to pull approximately 120,000 feet of 1000mcm underground conductor during the job process with individual pulls up to 1,200 feet. The conductor weighs approximately 10Lbs. per foot, and when combined with the friction generated while pulling through conduit, requires significant pulling power to install.

Although Austin Energy does currently possess underground pulling equipment, it lacks the equipment required to efficiently perform work on the scale mentioned above. Therefore, the utility will need to purchase this equipment in as short a time as possible in order to meet the agreed upon timeline. There is a lead time of approximately 22-weeks for delivery after receipt of order for this equipment. This being the case, prompt action is required in order to meet our commitments.

If there are any further questions or comments concerning this matter, please feel free to contact me at 322-6002.